



NORTHEAST IDAHO

BONNEVILLE, BUTTE, CLARK, CUSTER, FREMONT, JEFFERSON, LEMHI, MADISON, & TETON COUNTIES

EMPLOYMENT TRENDS

The seasonally-adjusted unemployment rate for the Bonneville Labor Market Area (LMA) decreased two-tenths of a percentage point from November to December 2003 and decreased four-tenths of a percentage point from December 2002 as seen in Northeast Table 1. Three of the counties in the LMA showed unemployment rate decreases over the month with the exception of Jefferson County, which remained unchanged. Year-over-year, all counties in the LMA experience rate decreases; Bingham County showed the largest decrease at nine-tenths of a percentage point. The unemployment rate for Idaho Falls, the largest city in the LMA, was 3.6 percent, a decrease of two-tenths of a percentage point month-over-month and three-tenths of a percentage point decrease from December 2002.

Of the remaining six counties not included in the LMA, Lemhi, Madison, and Teton Counties showed decreases over the month, Fremont remained unchanged, and the rate in both Clark and Custer Counties increased. All changes were less than 1.0 percentage point. Year-over-year, the unemployment rate in five counties showed decreases. Custer County showed the largest decrease at 2.0 percentage points while Lemhi followed close at a 1.7 percentage point decrease. Clark County was the only county to show an increase—1.1 percent—to a rate of 5.9 percent.

Nonfarm Payroll Jobs in the LMA decreased by 660 jobs from November, mostly in the *Goods-Producing Industries*. *Construction* accounted for 590 of those jobs as would be expected during that time of year. *Manufacturing* and *Mining* accounted for the rest of the jobs at 110 jobs combined. *Service-Providing Industries* showed a gain of 40 jobs; *Leisure & Hospitality* was the largest contributor.

Year-over-year, *Nonfarm Payroll Jobs* increased by 560 jobs as gains in *Goods-Producing Industries* (130 jobs) added to gains in *Service-Providing Industries* (430 jobs). *Construction* and *Health Services*, which are growing sectors in the LMA,

Northeast Idaho Table 1: Labor Force & Employment
Bonneville, Bingham, Butte, and Jefferson Counties

	Dec 2003*	Nov 2003	Dec 2002	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
<i>Seasonally Adjusted</i>					
Civilian Labor Force	81,510	81,610	83,290	-0.1	-2.1
Unemployment	2,900	3,060	3,330	-5.2	-12.9
% of Labor Force Unemployed	3.6	3.8	4.0		
Total Employment	78,610	78,550	79,950	0.1	-1.7
<i>Unadjusted</i>					
Civilian Labor Force	80,850	81,920	82,160	-1.3	-1.6
Unemployment	2,960	2,790	3,330	6.1	-11.1
% of Labor Force Unemployed	3.7	3.4	4.1		
Total Employment	77,880	79,130	78,830	-1.6	-1.2
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs** - NAICS	63,200	63,860	62,640	-1.0	0.9
<i>Goods-Producing Industries</i>	9,550	10,250	9,420	-6.8	1.4
Natural Resources & Mining	50	70	70	-28.6	-28.6
Construction	4,770	5,360	4,140	-11.0	15.2
Manufacturing	4,730	4,820	5,210	-1.9	-9.2
Food Manufacturing	2,450	2,440	2,760	0.4	-11.2
Fabricated Metal Product Manufacturing	290	290	280	0.0	3.6
Machinery Manufacturing	470	440	440	6.8	6.8
Other Manufacturing	1,520	1,650	1,730	-7.9	-12.1
<i>Service-Providing Industries</i>	53,650	53,610	53,220	0.1	0.8
Trade, Transportation & Utilities	14,600	14,570	14,440	0.2	1.1
Wholesale Trade	4,850	4,840	4,750	0.2	2.1
Retail Trade	7,790	7,750	7,880	0.5	-1.1
Utilities	100	100	100	0.0	0.0
Transportation	1,860	1,880	1,710	-1.1	8.8
Information	770	770	900	0.0	-14.4
Financial Activities	1,930	1,940	2,000	-0.5	-3.5
Professional & Business Services	11,580	11,610	11,680	-0.3	-0.9
Educational & Health Services	6,500	6,530	6,070	-0.5	7.1
Leisure & Hospitality	5,020	4,920	4,880	2.0	2.9
Other Services	2,080	2,090	2,250	-0.5	-7.6
Government Education	5,060	5,090	5,090	-0.6	-0.6
Government Administration	6,110	6,090	5,910	0.3	3.4

*Preliminary Estimate

**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

were the strong contributors while *Manufacturing* experienced the largest loss. *Food Manufacturing* lost 310 jobs, while *Other Manufacturing* (which includes all manufacturing except *Food*, *Fabricated Metal Products*, and *Machinery*) lost 210 jobs. *Food Manufacturing* in the LMA consists mostly of potatoes, a product that has slightly dropped in sales nationwide, partially due to the recent popularity of low-carbohydrate diets.

SPECIAL TOPIC: Sales Tax Data for 2003 and 2002

According to the Idaho State Tax Commission, total sales in Northeast Idaho for 2003 were almost \$3.5 billion. Compared to totals from 2002, that is a gain of almost \$232 million. In comparing quarterly data for 2003 to 2002, the largest gains occurred in the third and fourth quarters, with increases of \$112 million and \$111 million, respectively. Third quarter data for 2002

shows that Bonneville County recorded only \$35.8 million in sales when it normally sees over \$500 million. In this same quarter, Ada County (Boise area) only had \$10 million in sales compared to a normal \$2 billion plus. Fourth quarter comparisons show increases across all counties, with Bonneville County topping them at \$79 million in total sales for the quarter. Lemhi County showed a \$14 million increase for fourth quarter sales in 2003 compared to fourth quarter in 2002, followed by Teton County at almost \$7 million. Custer County had a gain of \$4.5 million. Overall, 2002 was a cautious year in Northeast Idaho (generally no big moves or investments) due to a slump in the national economy and the threat of an impending war with Iraq. Consumers were again cautious at the beginning of 2003; however growing confidence was evident by mid-year and the year ended strong in terms of sales.

AREA DEVELOPMENTS

Bonneville County

- Officials in Bonneville and Bingham Counties are working to acquire a \$100 million wind farm. Planning boards from both Bonneville and Bingham Counties have approved special land-use permits. The next step is to obtain a power contract from a utility. The proposed wind farm will generate 100 megawatts of electricity a year, enough to sustain power for 40,000 homes, and could be expanded to generate 300 megawatts over time. It will have fewer than 100 windmills and will be located in a 12-mile by 6-mile rectangle to parallel Bone Road east and southeast of Idaho Falls. The area was chosen because of smooth and steady wind patterns that speed up after they cross the plains and hit the ridge of the hills. The project is a joint venture between Ridgeline Energy of Medina, Washington, and Airtricity of Dublin, Ireland. After initial construction, the site will employ 12 maintenance workers.
- Citizens Community Bank opened a branch in Ammon next to Edwards Cinema and Johnny Carino's. The bank started up in 1997, has two existing branches in Pocatello, and opened a real estate and construction lending office on Woodruff Avenue in Idaho Falls three years ago. The new bank in Ammon will now include the real estate and construction lending office under the same roof.
- Melaleuca Inc., a health, household, and cosmetic manufacturer and supplier, has announced plans to build one large central location for its separate facilities to unify under one roof. Currently the company has 100,000-square feet in warehouse space spread throughout several locations in Idaho Falls. The new facility will be built on 150 acres of land southwest of the intersection of Interstate 15 and York Road, just outside of Idaho Falls city limits. Groundbreaking on the new \$30 million facility will take place this spring and completion is not expected until approximately 2009. The company employs over 1,000 workers in

Idaho Falls and has locations in Rexburg and Knoxville, Tennessee.

- Since Idaho Governor Dirk Kempthorne moved administration of the Community Reuse Organization (CRO) funds from Eastern Idaho Economic Development Council (EIEDC) to the Regional Development Alliance, EIEDC has reduced its staff and funds have been reduced to one-third the original budget. The CRO funds were established by the Department of Energy to offset the impact of job cutbacks at the Idaho National Engineering and Environmental Laboratory. Chris Hertz, the previous executive director of EIEDC, resigned at the end of 2003 for personal reasons. The new executive director, Kipp Hicks, has been with the council since 2000.

Madison County

- The Church of Jesus Christ of Latter-day Saints announced it would build a third Idaho temple to be located in Rexburg where it owns Brigham Young University – Idaho (BYU-I). The temple will be constructed on the southwest corner of the intersection of Second East and Seventh South Streets, south of the BYU-I campus on the hill. The church already owns the site. The groundbreaking date and architectural plans have not been announced, but are expected soon.

Jefferson County

- A new leather shop called Thundercloud Leather opened recently north of Rigby near the Sugar Factory Smokehouse off of Highway 20. Leather crafter Marc Nielson ran a leather shop in Arizona for nearly 15 years before moving to Rigby five years ago. Nielson specializes in making custom belts, checkbooks, wallets, purses, planners, and scripture covers. He also repairs saddles. The phone number is 390-7178.
- Brown's, a long-time grocery store in Ririe, announced it would officially close when the shelves are emptied. The business first started in the 1950's when two Brown brothers bought out the Red and White grocery store and expanded it. Eugene Brown eventually bought out his brother and ran the store until he was 87. He died in 1999. His daughter, Lita McCall, has been running it for the past several years, but decided to close the store when the supplier, Fleming Foods, filed for Chapter 11 bankruptcy in April 2003. Unable to locate a supplier allowing the store to offer groceries at competitive prices, McCall decided to close. It will affect approximately ten employees.

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